

## STATE OF CONNECTICUT DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION

Public Hearing – February 19, 2016 Environment Committee

Testimony Submitted by Commissioner Robert J. Klee Presented by Deputy Commissioner Michael J. Sullivan

House Bill No. 5149 Committee Bill – AAC BENEFICIAL END USES FOR DISCARDED TIRES AND THE EFFICACY OF TIRE HAULING LICENSES OR PERMITS.

Thank you for the opportunity to present testimony regarding **House Bill No. 5149 – AAC BENEFICIAL END USES FOR DISCARDED TIRES AND THE EFFICACY OF TIRE HAULING LICENSES OR PERMITS.** The Department of Energy and Environmental Protection (DEEP) welcomes the opportunity to offer the following testimony.

As you will recall, DEEP strongly supported 2015 Raised S.B. No. 869 – An Act Concerning Beneficial End Uses for Recycled Tires and the Efficacy of Scrap Tire Hauling Licenses or Permits that was introduced last year and created a framework based upon extended producer responsibility, which is an important component of Connecticut's Comprehensive Materials Management Strategy.

House Bill No. 5149 asks DEEP to identify beneficial end uses/markets for scrap tires. We know from the stakeholder dialogue convened by DEEP in 2015, as well as additional discussions with industry experts, tire processors and tire recyclers that end markets include both recycling and energy extraction. The key recycling markets include:

- Civil engineering which consists of tire shreds used in road and landfill construction, septic tank leach fields and other construction applications; and
- Ground rubber applications which includes new rubber products, playground and other sports surfacing and rubber-modified asphalt.

Energy uses consist of the use of 'tire derived fuel' (TDF) as fuel in cement kilns, pulp and paper mills and industrial and utility boilers. A Connecticut facility, located in Sterling, CT, used discarded tires to produce electricity until it suspended operations in the fall of 2013. After the plant suspended operations, most of the tires generated in Connecticut were transported to pulp mills in Maine to be burned for fuel. The majority of scrap tires are processed into TDF and shipped to pulp mills in Maine. DEEP does not consider tire derived fuel to be recycling but recognizes that because energy extraction is often the lower cost option, growth of

recycling opportunities are hindered. While recycling markets exist either in Connecticut or the region, tire recyclers have indicated that their products can't compete with tire derived fuel as an end market.

DEEP is committed to finding solutions to more efficiently manage scrap tires generated in the state, and has engaged stakeholders to better understand which strategies increase recycling, diminish illegal dumping and create private sector jobs. A summary of DEEP's findings regarding long term management options for tires is attached.

The bill also asks DEEP to submit a report to the legislature on the efficacy of tire hauling licenses and permitting. Connecticut does not currently have a state run scrap tire program or a fee on the sale of tires to support licensing and registration of haulers. DEEP staff have researched other state programs including those funded by a fee assessed on the sale of new tires<sup>1</sup>. Establishing a licensing or permitting program, such as in done in a number of states, would require DEEP to establish a new state program requiring funding and the hiring of additional staff. Some states use general funds, others assess a fee on the sale of tires to fund their programs. Potential drawbacks include the resources required to administer an effective state program, as well as the fact that such programs in other states have failed to curb significant illegal dumping of tires.

We believe the best strategy for managing scrap tires is to establish a stewardship program for tires similar to programs already in place for paint and mattresses. We believe that a stewardship program for tires that favors recycling as an end use over energy extraction, in line with our materials management priorities, will have the effect of hastening the growth of end markets for recycling. Tire stewardship programs in Canadian provinces have dramatically increased recycling, invested in or developed beneficial end markets, created private sector jobs, and virtually eliminated illegal dumping. Last year's Raised Bill 869 proposed a tire stewardship program that outlined the framework for such a program.

In summary, DEEP has already conducted much of the investigation called for by **House Bill No. 5149 – AAC BENEFICIAL END USES FOR DISCARDED TIRES AND THE EFFICACY OF TIRE HAULING LICENSES OR PERMITS** and does not believe the bill is necessary to determine next steps for the stewardship of tires. DEEP is encouraged that tire recycling is a legislative priority this year, and welcomes the opportunity to provide information that may be useful in developing approaches to ensure the environmentally sustainable stewardship of scrap tires.

Thank you for the opportunity to present testimony on this proposal. If you should require any additional information, please contact Robert LaFrance, DEEP's Director of Governmental Affairs, at 860.424.3401 or <a href="mailto:Robert.LaFrance@ct.gov">Robert.LaFrance@ct.gov</a> or, Elizabeth McAuliffe, DEEP Legislative Liaison, at 860.424.3458 or Elizabeth.McAuliffe@ct.gov.

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<sup>&</sup>lt;sup>1</sup> Attached is a document titled, MD, MI, TX Scrap Tire Program Highlights dated February 2016.